Feedback Form - Public

Interruptible Rate Pilot: November 23, 2022

Feedback Provided by:

Name: Ron Dizy

Title: President

Organization: Red Jar Digital Infrastructure (Red Jar)

Email: [redacted]

Date: Nov 28, 2022

Following the November 23 engagement webinar on the Interruptible Rate Pilot, the IESO is seeking feedback from participants on the proposed rate design and criteria.

Please provide feedback by November 28, 2022 to engagement@ieso.ca. Please use subject header: *Interruptible Rate Pilot*. To promote transparency, this feedback, if provided in an AODA-compliant format (e.g. using this form) will be posted on the Interruptible Rate Pilot webpage, unless otherwise requested by the sender.

The IESO will work to consider feedback and incorporate comments as appropriate and post responses on the engagement webpage.

Rate Design Proposal

Topic	Feedback
Do you have any feedback on the rate design proposal (please see slide 10 of the webinar presentation deck)?	Red Jar has two observations: 1. The economics of this pilot are likely to be a fair bit worse than the Industrial Conservation Initiative (ICI) for flexible loads. This is because there is to be a minimum additional payment (Fixed Price Bid), but in addition the inability to participate in the capacity auction could represent a fairly significant revenue loss for participants of the pilot. 2. If a significant number of ICI resources do participate in the capacity auction, the approach of electing a following year start date may mean that there is a relatively small amount of load that participates in 2023. This is because the option to participate in an established Capacity Auction opportunity will occur in advance of the pilot finalization. Pilot participants are unlikely to forgo participation in the capacity auction when there is still no certainty around program design, eligibility, or likelihood of success.

General Comments

In addition to the above comments, we will want to clearly understand what will happen if:

1) Overall load increases, contract demand stays the same (IESO may have suggested that this would be fine during the last information session)
2) Overall load increases, contract demand increases – say proportionately *(This should be ok, in our view)*
3) Overall load decreases, contract demand stays the same
4) Overall load decreases, contract demand also decreases
5) Also understanding bonuses for reducing load beyond contract demand and the proposed penalties will be important to determine overall economics.

Red Jar would be pleased to find time for an opportunity to discuss the questions above.